

ASSEMBLY BILL

No. 1021

Introduced by Assembly Member Eggman

February 22, 2013

An act to amend Section 26003 of the Public Resources Code, relating to alternative energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1021, as introduced, Eggman. Alternative energy: recycled feedstock.

Existing law establishes the California Alternative Energy and Advanced Transportation Financing Authority to provide financial assistance for projects that promote the use of alternative energies.

This bill would authorize the authority to provide financial assistance to projects that process or utilize recycled feedstock.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 26003 of the Public Resources Code, as
- 2 amended by Section 5 of Chapter 677 of the Statutes of 2012, is
- 3 amended to read:
- 4 26003. (a) As used in this division, unless the context
- 5 otherwise requires:
- 6 (1) (A) "Advanced manufacturing" means manufacturing
- 7 processes that improve existing, or create entirely new materials,
- 8 products, and processes through the use of science, engineering,
- 9 or information technologies, high-precision tools and methods, a

1 high-performance workforce, and innovative business or
2 organizational models utilizing any of the following technology
3 areas:

- 4 (i) Micro- and nanoelectronics, including semiconductors.
- 5 (ii) Advanced materials.
- 6 (iii) Integrated computational materials engineering.
- 7 (iv) Nanotechnology.
- 8 (v) Additive manufacturing.
- 9 (vi) Industrial biotechnology.

10 (B) “Advanced manufacturing” includes all of the following:

11 (i) Systems that result from substantive advancement, whether
12 incremental or breakthrough, beyond the current industry standard,
13 in the production of materials and products. These advancements
14 include improvements in manufacturing processes and systems
15 that are often referred to as “smart” or “intelligent” manufacturing
16 systems, which integrate computational predictability and
17 operational efficiency.

18 (ii) (I) Sustainable manufacturing systems and manufacturing
19 technologies that minimize the use of resources while maintaining
20 or improving cost and performance.

21 (II) Sustainable manufacturing systems and manufacturing
22 technologies do not include those required to be undertaken
23 pursuant to state or federal law or regulations, air district rules or
24 regulations, memoranda of understanding with a governmental
25 entity, or legally binding agreements or documents. The State Air
26 Resources Board shall advise the authority to ensure that the
27 requirements of this clause are met.

28 (2) (A) “Advanced transportation technologies” means
29 emerging commercially competitive transportation-related
30 technologies identified by the authority as capable of creating
31 long-term, high value-added jobs for Californians while enhancing
32 the state’s commitment to energy conservation, pollution and
33 greenhouse gas emissions reduction, and transportation efficiency.

34 (B) “Advanced transportation technologies” does not include
35 those projects required to be undertaken pursuant to state or federal
36 law or regulations, air district rules or regulations, memoranda of
37 understanding with a governmental entity, or legally binding
38 agreements or documents. The State Air Resources Board shall
39 advise the authority regarding projects that are excluded pursuant
40 to this subparagraph.

1 (3) (A) “Alternative sources” means devices or technologies
2 used for a renewable electrical generation facility, as defined in
3 paragraph (1) of subdivision (a) of Section 25741, a combined
4 heat and power system, as defined in Section 2840.2 of the Public
5 Utilities Code, distributed generation and energy storage
6 technologies eligible under the self-generation incentive program
7 pursuant to Section 379.6 of the Public Utilities Code, as
8 determined by the Public Utilities Commission, or a facility
9 designed for the production of renewable fuels, the efficient use
10 of which reduce the use of fossil or nuclear fuels, and energy
11 efficiency devices or technologies that reduce the need for new
12 electric generation and reduce emissions of toxic and criteria
13 pollutants and greenhouse gases.

14 (B) “Alternative sources” does not include a hydroelectric
15 facility that does not meet state laws pertaining to the control,
16 appropriation, use, and distribution of water, including, but not
17 limited to, the obtaining of applicable licenses and permits.

18 (4) “Authority” means the California Alternative Energy and
19 Advanced Transportation Financing Authority established pursuant
20 to Section 26004, and any board, commission, department, or
21 officer succeeding to the functions of the authority, or to which
22 the powers conferred upon the authority by this division shall be
23 given.

24 (5) “Cost” as applied to a project or portion of the project
25 financed under this division means all or part of the cost of
26 construction and acquisition of all lands, structures, real or personal
27 property or an interest in the real or personal property, rights,
28 rights-of-way, franchises, easements, and interests acquired or
29 used for a project; the cost of demolishing or removing any
30 buildings or structures on land so acquired, including the cost of
31 acquiring any lands to which those buildings or structures may be
32 moved; the cost of all machinery, equipment, and furnishings,
33 financing charges, interest prior to, during, and for a period after,
34 completion of construction as determined by the authority;
35 provisions for working capital; reserves for principal and interest
36 and for extensions, enlargements, additions, replacements,
37 renovations, and improvements; the cost of architectural,
38 engineering, financial, accounting, auditing and legal services,
39 plans, specifications, estimates, administrative expenses, and other
40 expenses necessary or incident to determining the feasibility of

1 constructing any project or incident to the construction, acquisition,
2 or financing of a project.

3 (6) “Financial assistance” includes, but is not limited to, loans,
4 loan loss reserves, interest rate reductions, proceeds of bonds issued
5 by the authority, bond insurance, loan guarantees or other credit
6 enhancements or liquidity facilities, contributions of money, or a
7 combination thereof, as determined by, and approved by the
8 resolution of, the board.

9 (7) (A) “Participating party” means a person, federal or state
10 agency, department, board, authority, or commission, state or
11 community college, or university, or a city or county, regional
12 agency, public district, school district, or other political entity
13 engaged in the business or operations in the state, whether
14 organized for profit or not for profit, that applies for financial
15 assistance from the authority for the purpose of implementing a
16 project.

17 (B) For the purposes of Section 6010.8 of the Revenue and
18 Taxation Code, “participating party” means an entity specified in
19 subparagraph (A) that seeks financial assistance pursuant to Section
20 26011.8.

21 (8) (A) “Project” means a land, building, improvement to the
22 land or building, rehabilitation, work, property, or structure, real
23 or personal, stationary or mobile, including, but not limited to,
24 machinery and equipment, whether or not in existence or under
25 construction, that utilizes, or is designed to utilize, an alternative
26 source, or that is utilized for the design, technology transfer,
27 manufacture, production, assembly, distribution, or service of
28 advanced transportation technologies or alternative source
29 components, *or that processes or utilizes recycled feedstock*.

30 (B) “Project,” for the purposes of Section 26011.8 and Section
31 6010.8 of the Revenue and Taxation Code, means any tangible
32 personal property that is utilized for the design, manufacture,
33 production, or assembly of advanced manufacturing, advanced
34 transportation technologies, or alternative source products,
35 components, or systems, *or that processes or utilizes recycled*
36 *feedstock*.

37 (9) “Revenue” means all rents, receipts, purchase payments,
38 loan repayments, and all other income or receipts derived by the
39 authority from a project, or the sale, lease, or other disposition of
40 alternative source or advanced transportation technology facilities,

1 or the making of loans to finance alternative source or advanced
2 transportation technology facilities, and any income or revenue
3 derived from the investment of money in any fund or account of
4 the authority.

5 (b) This section shall become inoperative on July 1, 2016, and,
6 as of January 1, 2017, is repealed, unless a later enacted statute,
7 that becomes operative on or before January 1, 2017, deletes or
8 extends the dates on which it becomes inoperative and is repealed.

9 SEC. 2. Section 26003 of the Public Resources Code, as added
10 by Section 6 of Chapter 677 of the Statutes of 2012, is amended
11 to read:

12 26003. (a) As used in this division, unless the context
13 otherwise requires:

14 (1) (A) “Advanced transportation technologies” means
15 emerging commercially competitive transportation-related
16 technologies identified by the authority as capable of creating
17 long-term, high value-added jobs for Californians while enhancing
18 the state’s commitment to energy conservation, pollution and
19 greenhouse gas emissions reduction, and transportation efficiency.

20 (B) “Advanced transportation technologies” does not include
21 those projects required to be undertaken pursuant to state or federal
22 law or regulations, air district rules or regulations, memoranda of
23 understanding with a governmental entity, or legally binding
24 agreements or documents. The State Air Resources Board shall
25 advise the authority regarding projects that are excluded pursuant
26 to this subparagraph.

27 (2) (A) “Alternative sources” means devices or technologies
28 used for a renewable electrical generation facility, as defined in
29 paragraph (1) of subdivision (a) of Section 25741, a combined
30 heat and power system, as defined in Section 2840.2 of the Public
31 Utilities Code, distributed generation and energy storage
32 technologies eligible under the self-generation incentive program
33 pursuant to Section 379.6 of the Public Utilities Code, as
34 determined by the Public Utilities Commission, or a facility
35 designed for the production of renewable fuels, the efficient use
36 of which reduce the use of fossil or nuclear fuels, and energy
37 efficiency devices or technologies that reduce the need for new
38 electric generation and reduce emissions of toxic and criteria
39 pollutants and greenhouse gases.

1 (B) “Alternative sources” does not include a hydroelectric
2 facility that does not meet state laws pertaining to the control,
3 appropriation, use, and distribution of water, including, but not
4 limited to, the obtaining of applicable licenses and permits.

5 (3) “Authority” means the California Alternative Energy and
6 Advanced Transportation Financing Authority established pursuant
7 to Section 26004, and any board, commission, department, or
8 officer succeeding to the functions of the authority, or to which
9 the powers conferred upon the authority by this division shall be
10 given.

11 (4) “Cost” as applied to a project or portion of the project
12 financed under this division means all or part of the cost of
13 construction and acquisition of all lands, structures, real or personal
14 property or an interest in the real or personal property, rights,
15 rights-of-way, franchises, easements, and interests acquired or
16 used for a project; the cost of demolishing or removing any
17 buildings or structures on land so acquired, including the cost of
18 acquiring any lands to which those buildings or structures may be
19 moved; the cost of all machinery, equipment, and furnishings,
20 financing charges, interest prior to, during, and for a period after,
21 completion of construction as determined by the authority;
22 provisions for working capital; reserves for principal and interest
23 and for extensions, enlargements, additions, replacements,
24 renovations, and improvements; the cost of architectural,
25 engineering, financial, accounting, auditing and legal services,
26 plans, specifications, estimates, administrative expenses, and other
27 expenses necessary or incident to determining the feasibility of
28 constructing any project or incident to the construction, acquisition,
29 or financing of a project.

30 (5) “Financial assistance” includes, but is not limited to, loans,
31 loan loss reserves, interest rate reductions, proceeds of bonds issued
32 by the authority, bond insurance, loan guarantees or other credit
33 enhancements or liquidity facilities, contributions of money, or a
34 combination thereof, as determined by, and approved by the
35 resolution of, the board.

36 (6) (A) “Participating party” means a person, federal or state
37 agency, department, board, authority, or commission, state or
38 community college, or university, or a city or county, regional
39 agency, public district, school district, or other political entity
40 engaged in the business or operations in the state, whether

1 organized for profit or not for profit, that applies for financial
2 assistance from the authority for the purpose of implementing a
3 project.

4 (B) For the purposes of Section 6010.8 of the Revenue and
5 Taxation Code, “participating party” means an entity specified in
6 subparagraph (A) that seeks financial assistance pursuant to Section
7 26011.8.

8 (7) (A) “Project” means a land, building, improvement to the
9 land or building, rehabilitation, work, property, or structure, real
10 or personal, stationary or mobile, including, but not limited to,
11 machinery and equipment, whether or not in existence or under
12 construction, that utilizes, or is designed to utilize, an alternative
13 source, or that is utilized for the design, technology transfer,
14 manufacture, production, assembly, distribution, or service of
15 advanced transportation technologies or alternative source
16 components, *or that processes or utilizes recycled feedstock*.

17 (B) “Project,” for the purposes of Section 26011.8 and Section
18 6010.8 of the Revenue and Taxation Code, means any tangible
19 personal property that is utilized for the design, manufacture,
20 production, or assembly of advanced transportation technologies
21 or alternative source products, components, or systems, *or that*
22 *processes or utilizes recycled feedstock*.

23 (8) “Revenue” means all rents, receipts, purchase payments,
24 loan repayments, and all other income or receipts derived by the
25 authority from a project, or the sale, lease, or other disposition of
26 alternative source or advanced transportation technology facilities,
27 or the making of loans to finance alternative source or advanced
28 transportation technology facilities, and any income or revenue
29 derived from the investment of money in any fund or account of
30 the authority.

31 (b) This section shall become operative on July 1, 2016.